


Councilmember Adrian Fenty

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To establish a Comprehensive Housing Strategy Task Force that will assess the quality and availability of housing for residents at all income levels in the District of Columbia, and develop a set of public policy recommendations to address the needs identified by the assessment.

Sec. 101. Short Title.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,
That this bill may be cited as the "Comprehensive Housing Strategy Bill of 2003."

Sec. 102. Findings.

- a) The District of Columbia faces a serious shortage of affordable housing, particularly for its lowest-income residents. Long-standing affordable housing problems have intensified in recent years, as the District's economic recovery has increased demand for housing in many neighborhoods and has pushed rents and home prices to record levels; and
- b) Affordable housing opportunities are particularly limited for low-income renters. The cost of obtaining a decent but modest rental unit in D.C. - as measured by the Fair Market Rent - is \$943 per month for a two-bedroom apartment. A family would need an annual income of at least \$37,720 to afford a unit at this cost without spending more than thirty (30) percent of its income for housing. Yet many households in the District have incomes well below this level. For

example, fifteen (15) percent of District residents have incomes below the federal poverty line, which equals \$17,600 for a family of four. One-third of D.C. households have incomes below \$25,000; and

- c) The gap between incomes and housing costs forces many low-income District households to spend a very large share of their income for housing or live in housing that is overcrowded or physically deficient. Some seventy-one (71) percent of households below \$25,000 spend more than thirty (30) percent of their income for housing or live in inadequate conditions, or both. Nearly half of D.C.'s low-income households - 36,000 households - spend fifty (50) percent or more of their income for housing or live in severely deficient housing and thus have "worst case" housing needs as defined by the U.S. Department of Housing and Urban Development; and
- d) The lack of affordable and decent housing opportunities forces many low-income families and individuals to double up and directly contributes to homelessness. Demand for emergency shelter assistance is at a historically high level, with nearly 600 homeless families on the waiting list for shelter; and
- e) Many moderate-income families face such housing problems as well. More than one-fourth of D.C. households with incomes between \$25,000 and \$50,000 of income live in housing that is unaffordable or physically inadequate. A relatively small share of D.C. households above this income level have housing problems; and
- f) The lack of affordable housing in the District of Columbia that is wheelchair accessible unnecessarily denies residents the opportunity to live independently. Some 1,200 District residents under age sixty-five (65) that have disabilities live in nursing homes because they cannot obtain affordable and accessible housing; and
- g) Research indicates that unstable, inadequate, or unaffordable housing adversely affects the physical, cognitive, and educational development of children; and
- h) Federal housing programs provide assistance to many low-income families, but those programs still only meet a fraction of the need. Over [ten] thousand families are on the waiting lists for public housing or a Section 8 voucher, and the wait for assistance takes many years. Even families fortunate enough to receive a voucher are not guaranteed affordable housing. Due to a limited supply of qualifying units and a limited number of landlords willing to accept vouchers, half of all voucher recipients return them because they cannot find an appropriate apartment; and
- i) Recent housing trends are likely to have made affordable housing opportunities for renters even more limited. In the 1990s, the District lost over 16,000 rental housing units. Additional losses of affordable housing can be expected as

contracts for thousands of units in Section 8 projects expire without being renewed in the near future. The increased popularity of some neighborhoods near the center of the city have led to new waves of gentrification, resulting in sharp increases in rents and home sales prices; and

- j) With the homeownership rate in the District already well below the national average, sharply rising home prices have made the purchase of a home out of reach for a growing share of potential District homeowners; and
- k) The Mayor and Council of the District of Columbia have recently enacted landmark housing legislation that has significantly increased the District's financial investment in housing;
- l) The Mayor and Council have been considering additional affordable housing proposals, which should be based on a comprehensive understanding of the District's housing needs;
- m) As the District dedicates new funding streams and considers new models to meet the crisis in affordable housing supply, in order for these efforts to be effective in achieving sustainable solutions, the District must develop a long-term, comprehensive affordable housing strategy within which to coordinate its planning and expend its scarce resources; and
- n) Other jurisdictions in the nation that face similar housing challenges and that expend comparable resources on housing are guided by a comprehensive affordable housing strategy.

Sec. 103. Definitions

"Affordable Housing" means decent quality housing for which monthly costs, including utilities, consume no more than thirty (30) percent of a household's income.

"Area Median Income" means the area median income in the Washington Metropolitan Statistical Area, adjusted for family size, as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;

"Low Income" means families with incomes below fifty (50) percent of the area median income; analyses related to housing affordability for "low-income" families also should examine affordability issues for families with incomes below thirty (30) percent of the area median income.

"Task Force" means the Comprehensive Housing Strategy Task Force established under section 104.

Sec. 104. Establishment of task force; composition.

(a) There is hereby established a Comprehensive Housing Strategy Task Force ("Task Force"). The Task Force shall assess the quality and availability of housing for residents at all income levels in the District of Columbia, and develop a set of public policy recommendations to address the needs identified by the assessment.

(b) The Task Force shall be composed of not less than eighteen (18) or more than twenty-five (25) members. The Task Force shall include:

- 1) At least two low-income renters or representatives of low income tenant associations;
- 2) At least one low-income homeowner;
- 3) At least two advocates for or persons with special needs, including those with physical disabilities, mental illness, HIV/AIDS, the elderly, and the homeless;
- 4) At least one representative of the non-profit housing production community;
- 5) At least one representative of the for-profit housing production community;
- 6) At least one representative of an organization that advocates for the production, preservation and rehabilitation of affordable housing for lower-income households;
- 7) At least one representative of financial services institutions engaged in affordable housing lending;
- 8) At least one representative of a philanthropy that funds affordable housing;
- 9) At least one representative of an organization that provides supportive housing services to low incomes residents, including housing counseling, financial management, in-kind assistance, or legal representation;
- 10) At least one representative of the multifamily property owner community;
- 11) At least one representative of providers of employer-assisted home purchase programs;
- 12) At least one representative with expertise in affordable housing policy from the academic or non-profit community;
- 13) No more than four (4) representatives of government agencies.

(c) The chair or co-chairs of the task force shall be selected from among the non-governmental representatives by majority vote of the full task force at its first meeting.

(d) The Mayor shall, within forty-five (45) days of the effective date of this act appoint all members subject to confirmation by the Council of the District of Columbia.

(e) The Mayor shall provide the Task Force with the necessary staff and logistical support to enable it to conduct and complete its work in a timely and satisfactory manner.

Sec. 105. Development of comprehensive housing strategy; reporting requirements.

(a) The Task Force shall develop recommendations that shall comprise a Comprehensive Housing Strategy for the District of Columbia, to be presented to the Council for consideration and implementation. In developing its recommendations, the Task Force shall specifically consider strategies that do the following:

- 1) Reflect a comprehensive, community-based vision for development in the city. Specific recommendations regarding housing shall be responsive to the array of needs of neighborhood residents, and should be considered in the context of creating or sustaining vital neighborhoods and of promoting culturally, economically and racially diverse populations. Recommendations regarding housing development should be coordinated with access to schools, employment opportunities, public transportation (especially transit), and commercial, health, and social services. Recommendations developed by the Task Force shall consider strategies designed to promote a range of housing opportunity at all income levels for, among others, seniors, the disabled, working families, and single parent households.
- 2) Seek to ensure the availability of quality housing affordable to all District residents. The Task Force shall assess the availability of both public and private resources devoted to housing development across all income levels in the District and develop recommendations that prioritize their use to support those residents with the greatest need. The recommendations of the Task Force should promote the allocation of new resources, coordination of available subsidies, and the formation of public-private partnerships. In formulating its recommendations, the Task Force shall review strategies used effectively in other jurisdictions to address the needs of residents at all income levels and to promote economically integrated communities.
- 3) Seek to preserve and produce affordable rental housing to meet the needs of current residents. The Task Force shall assess pressures on the rental housing market that contribute to overcrowding and homelessness, including the impact of the expiration of affordability controls on federally subsidized units. The Task Force shall examine the efficacy of existing policies, such as rent control, tenant receivership, the Housing Choice Voucher Program, the Hot Properties Initiative, and the Housing

Production Trust Fund in maintaining the stock of affordable, quality rental housing. The Task Force shall recommend new strategies -- both immediate and long term -- that will support the development of additional affordable rental housing, as well as modifications to strengthen existing policies and programs.

- 4) Seek to increase opportunities for District residents to become homeowners. The Task Force shall recommend strategies to promote homeownership and to enable current homeowners to remain in their homes. In developing its recommendations, the Task Force shall evaluate the eligibility criteria and assistance provided by current homeownership programs and existing policies designed to support the conversion of rental housing to owner-occupied housing, and shall assess their impact on promoting neighborhood stability and wealth creation of residents. In assessing the status of homeownership in the District, the Task Force shall also examine the financial burdens imposed by homeownership, such as the costs of maintenance and property taxes, and their relation to the incidence of foreclosure in the city.
- 5) Minimize the displacement of current residents. In its assessment of the current state of housing in the District, the Task Force shall consider the impact of escalating housing prices, real estate taxes, utilities, and costs of rehabilitation and new construction on the ability of current residents to remain in their homes or to purchase a home in their neighborhood. In analyzing current displacement pressures, the Task Force shall develop a plan to prevent the loss of affordable housing and minimize involuntary displacement, evaluate the extent of existing resources to respond to the needs of displaced residents and develop a relocation plan to assist affected residents when displacement is unavoidable.
- 6) Address the needs of special populations. In addressing each of the principles outlined in this section, the Task Force shall consider the special needs of seniors and individuals with physical or mental disabilities, among others, including the need for wheel-chair accessible housing of all types. The Task Force shall assess the current provision of housing to residents with special needs, and develop recommendations that will both ensure the integration of residents with special needs and provide resources for those who require permanent supportive housing. Similarly, the Task Force shall develop a plan to increase the capacity of emergency and transitional housing programs and appropriately locate those programs throughout the District to serve the needs of, among others, juveniles eligible for independent living, ex-offenders, and homeless individuals that require supportive services.

(b) The Task Force shall prepare and submit to the Mayor and the Council of the District of Columbia a report containing its findings, recommendations, production goals, timetable for implementation, and a statement of the funding required to achieve the identified housing objectives. The report shall be submitted within twelve months of the effective date of this act.

Sec. 106. Fiscal Impact Statement

The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat.813; D.C. Official Code §1-206.02(c)(3).

Sec. 107. Effective Date

This act shall take affect upon its approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in Section 603(c)(1) of the District of Columbia Home Rule Act, approved December 2, 1973 (87 Stat. 813, D.C. Code subsection 1-233(c) and publication in the District of Columbia Register.